GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Revenue Department - Palnadu District - Land to an extent of Ac.23.50 cents in Sy.No.715/1 situated in Narasaraopet Town, Palnadu District (erstwhile Guntur District) allotted on alienation in favour of Smt.Kasu Raghavamma Brahmananda Reddy Junior College, Narasaraopet - Request of the College Management to mortgage the land to an extent of Ac.3.50 cents to Banks/Financial Institutions for raising loans for construction of Commercial Building-Permission accorded in relaxation of G.O.Ms.No.571, Revenue(Assignment.I) Dept., dated 14.09.2012- orders- Issued.

REVENUE(LANDS.V) DEPARTMENT

G.O.Rt.No.15 Dated 05.01.2024

Read the following:

1. G.O.Ms.No.853 Revenue(Q) Department, dated 27.06.1979.
2. G.O.Ms.No.1157 Revenue(Q) Department, dated 03.10.2008.
3. Govt.Memo.No.11/748/2020-Prl.Secy. to C.M. Revenue(Lands.V) Department, dated 01.06.2021.
4. From the CCLA, A.P., Lr.No.ALN.II(B)/82/2021, Dated 26.11.2021.
5. Govt.Memo.No.11/748/2020-Prl.Secy. to C.M., Revenue(Lands.V) Department, dated 24.01.2022.
6. Representation dated 17.08.2022 of Smt.Kasu Raghavamma Brahmananda Reddy Junior College, Narasaraopet.
7. From the Collector, Palnadu District, Letter in Rc.No.REV02-ALN0REQ/8/2022-DT(E1)-COLLPLND, dated 28.09.2022 & 10.05.2023.
8. From the CCLA, A.P., Mangalagiri, Letter No.REV02-E-995076/2022, dated 15.12.2022 &30.05.2023.
9. Govt.Memo.No.11/748/2020-Prl.Secy.toC.M-Lands-V,Revenue (Lands.V) Department, dated 19.07.2023.
10. Request of Sri Kasu Mahesh Reddy, MLA, Gurazala Constituency, dated 25.09.2023.

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ORDER:

In the G.O.1st read above, orders were issued for alienation of Government land to an extent of Ac.23.50 cents in Sy.No.715/1 situated at Narasaraopet Town, Palnadu District (Erstwhile Guntur District) in favour of Smt. Kasu Raghavamma Brahmananda Reddy Junior College Committee, Narasaraopet on payment of market value @ Rs.5000/- per acre, subject to usual conditions of alienation. In the G.O.2nd read above, Smt. Kasu Raghavamma Brahmananda Reddy Junior College had been permitted to utilize the land to an extent of Ac 3.5 cts, out of Ac. 23.5 cts for commercial activities subject to certain conditions. In the Govt. Memo 3rd read above, it was clarified that the College Committee itself may construct the building for commercial purposes in the permitted area of an extent of Ac 3.5 cts out of alienated land Ac 23.50 cents in Sy.No.715/1 at Narasaraopet Town can be given for rental purpose, and the accrued amounts from rents can be used for development, maintenance and running of existing colleges/existing educational courses of the institution, subject to review the norms of the Education/University and Revenue Departments.

2. After examining the report of the CCLA, A.P. in the 4th read above, Government had accorded permission to the District Collector, Guntur in the reference 5th read above, for allowing Smt.Kasu Raghavamma Brahmananda

Reddy Junior College Committee, Narasaraopet to mortgage the land for an extent of Ac.3.50 cents out of Ac.23.50 cts in Sy.No.725/1 at Narasaraopet Town, Palnadu District(erstwhile Guntur District) to obtain loan from the Bank to construct commercial buildings in Ac 3.50 cents. The rent and other income from the Commercial buildings shall be utilized for repayment of loan amount and maintenance/development of the educational institution. Further, in case of default, the Bank authorities are informed that the necessary permission shall be taken for auction from the Government. Further, it is also permitted to rent the existing auditorium for functions as permissible and use the amount for maintenance/development of Educational Institutions by following Society bye-laws.

3. The Management of Smt.Kasu Raghavamma Brahmananda Reddy Junior College, Narasaraopet filed representation in the 6th read above, stating that an amount of Rs. 18.50 Crore is to be financed by the SBI authorities as loan for construction of Commercial complex in an extent of Ac.3.50 cents in Sy No.715/1 of Narasaraopet town and requested the Government to give necessary permission to the bank authorities to go for auction in case of default by the customer at any later date under SARFAESI Act, 2002 as indicated in their letter dated 8.6.2022 by adopting the procedure as laid down under the provisions of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI) 2002 at the time of recovery of loan amount from the loanee.

4. In the reference 8th read above, the Chief Commissioner of Land Administration, A.P., Mangalagiri has submitted a report in the matter and requested the Government to consider the report of the Collector, Palnadu District for issuing necessary orders to SBI authorities as requested by them permitting them to go for auction in case of default by the customer at any later date under SARFAESI Act,2002.

5. In the reference 9th read above, Government have issued orders clarifying the CCLA that there is no specific provision in the securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI) 2002 to obtain permission from the Government before default of the borrower.

6. Sri Kasu Mahesh Reddy, MLA, Gurazala Constituency, in the reference 10th read above has again represented the Spl.Chief Secretary to Government, Revenue (Lands) and requested for amendment of the above orders issued in Government Memo 9th read above as "Before default there is no need to request Government for any permission."

7. Government after Careful examination of the matter, hereby permitted Smt.Kasu Raghavamma Brahmananda Reddy Junior College Management, Narasaraopet for obtaining loan amount of Rs.18.50 crores from the SBI for construction of commercial complex in an extent of Ac.3.50 in Sy.No.715/1 of Narsaraopet Town, Palnadu District (erstwhile Guntur District) subject to condition that the rent and other income from the Commercial buildings shall be utilized primarily for repayment of loan amount and then maintenance/development of the educational institution. In case any default on the part of borrower, the SBI authorities are permitted in relaxation of the rule 3(a)(v) of Land Allotment Policy in G.O.MS No.571 Rev(Assn.I) Dept., dated 14.09.2012, to go for auction of the mortgaged portion of alienated land i.e. Ac.3.50 cents out of Ac.23.50 cents in Sy.No.715/1 at Narasaraopet Town, Palnadu District (erstwhile Guntur District) as per the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI), 2002.

8. The Chief Commissioner of Land Administration, A.P., Mangalagiri/ the Collector&District Magistrate, Palnadu District shall take necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

G.SAI PRASAD
SPECIAL CHIEF SECRETARY TO GOVERNMENT (FAC)

To
The Chief Commissioner of Land Administration, A.P., Mangalagiri
The Collector&District Magistrate, Palnadu
Smt.Kasu Raghavamma Brahmananda Reddy Junior College Management, Narasaraopet, Guntur District
copy to:
The Law Department
The Finance (FMU.Rev) Department
The P.S. to Prl.Secy. to C.M.
The OSD to Minister for Revenue
The P.S. to Spl.C.S., Rev(Lands)
SF/SC

//FORWARDED::BY ORDER//

SECTION OFFICER